

State of California  
BOARD OF EQUALIZATION  
**ALCOHOLIC BEVERAGE TAX REGULATIONS**

**Regulation 2551. UNACCOUNTED FOR LOSSES OF BEER.**

*Reference:* Section 32152, Revenue and Taxation Code.

There shall be no unaccounted for losses of beer other than those, if any, permitted under Federal law.

*History:* Effective April 17, 1955.

Amended April 1, 1983, effective June 1, 1983.

Effective January 7, 1996. Previously, Regulation 2551 combined two unrelated concepts: "unaccounted for losses of beer" and "consumption of beer on brewery premises". Two regulations were formed to address the unrelated issues separately, with Regulation 2551 now entitled "UNACCOUNTED FOR LOSSES OF BEER".

The authority cited for this regulation is Revenue and Taxation Code section 32152, which requires the Alcoholic Beverage Tax regulations "to coordinate so far as permitted by the provisions of this part the system of beer and wine taxation imposed by this part with the system of beer and wine taxation imposed by the internal revenue laws of the United States." Previously, the regulation stated that the "allowable tolerance for unaccounted for losses of beer...shall be in accordance with losses allowable under Title 27, Code of Federal Regulations, Part 245." However, under current federal law, **all** losses of beer must be accounted for. Therefore, the language was changed to coordinate with federal law. Under the new language, no unaccounted for losses of beer are permitted "other than those, if any, permitted under Federal law."